

MINUTES OF FEBRUARY 8, 1923.

The Board of Public Works met at the office of the State Treasurer at Annapolis on Thursday, February 8, 1923, at noon.

## Present:

Albert C. Ritchie, Governor.  
Wm. S. Gordy, Jr., Comptroller.  
John M. Dennis, Treasurer.

The minutes of the meeting of January 30th were read and approved.

The Board of Public Works announced that it was ready to receive bids, pursuant to the resolution passed on December 7, 1922, and the resolution passed on December 13, 1922, and the following advertisements, published in two newspapers in the City of Baltimore on January 9th, 12th, 16th, 19th, 23rd, 26th, 30th and February 2nd, 1923:

"STATE OF MARYLAND,  
TREASURY DEPARTMENT.  
\$500,000  
FOUR AND ONE-HALF  
PER CENT.  
"GENERAL CONSTRUCTION  
LOAN OF 1922."

Annapolis, Md., January 5, 1923.

Pursuant to Chapter 464 of the Acts of the General Assembly of Maryland of 1922, providing for the issue of the Certificates of Indebtedness herein mentioned and described and pursuant also to a resolution of the Board of Public Works of Maryland passed December 7, 1922, and on file and open to inspection in the office of the said Board in Annapolis, Maryland, the Treasurer of the State of Maryland will receive bids or proposals for Certificates of Indebtedness of the State of Maryland as follows:

\$500,000 FOUR AND ONE-HALF  
PER CENT. CERTIFICATES OF  
INDEBTEDNESS KNOWN AS  
"GENERAL CONSTRUCTION  
LOAN OF 1922."

Said Certificates of Indebtedness will all be dated February 15, 1923. They will bear interest at the rate of four and one-half per centum ( $4\frac{1}{2}\%$ ) per annum, payable semi-annually on the 15th days of August and February, respective, in each and every year during the continuance of the loan. The principal of said loan will be payable upon the Serial Annuity Plan, as more fully set forth in said Act of 1922, Chapter 464, as follows:

Series N	\$29,000	February 15, 1926
Series O	30,000	February 15, 1927
Series P	32,000	February 15, 1928
Series Q	33,000	February 15, 1929
Series R	35,000	February 15, 1930
Series S	36,000	February 15, 1931
Series T	38,000	February 15, 1932
Series U	40,000	February 15, 1933
Series V	42,000	February 15, 1934
Series W	44,000	February 15, 1935
Series X	45,000	February 15, 1936
Series Y	47,000	February 15, 1937
Series Z	49,000	February 15, 1938.

The said Certificates of Indebtedness will be of the denomination of \$1,000 each, subject to registration as to principal, and all will be issued with interest coupons attached.

"This loan and the interest payable thereon is exempt from the Federal Income Tax and from State, county and municipal taxation.

The said bids or proposals must be delivered to the Treasurer of the State, at his office in Annapolis, Md., before 12 o'clock noon on Thursday, February 8, 1923. Each bid must be for cash on delivery, must be inclosed in a sealed envelope addressed on the outside "Proposal for General Construction Loan of 1922." Each bid must be accompanied by a certified check upon some responsible banking institution, drawn to the order of the Treasurer of Maryland for five per centum (5%) of the par value of the amount bid for. All bids or proposals will be opened at 12 o'clock noon on Thursday, February 8, 1923, in the presence of the undersigned.

On the opening of said proposals as many of said Certificates of Indebtedness as have been bid for not exceeding, however, the amount for which proposals are invited may be awarded by the Governor, the Comptroller of the Treasury and the Treasurer, or a majority of them, to the highest responsible bidder or bidders therefor for cash, and if two or more responsible bidders have made the same bid and such bid is the highest and the Certificates so bid for by such responsible bidders are in excess of the whole amount of Certificates as offered for sale, then such certificates of indebtedness may be awarded in a ratable proportion to such responsible bidders bidding the same price.

The undersigned may, in their discretion, accept one bid for all of said loan or separate bids for parts of said loan as may produce the largest amount, and they may in their discretion, accept bids which may be for part of said loan, but are not for all, and they reserve the right in their discretion to reject all bids or any bids.

The Certificates of Indebtedness awarded will be delivered to the successful bidder or bidders upon receipt of the amount of the successful bid or bids on Thursday, February 15, 1923, at the office of the State Treasurer, Annapolis, Md.

Bidders are referred to the said Chapter 464 of the Acts of the General Assembly of Maryland of 1922 as containing the full terms and provisions of this loan.

The constitutionality and validity of said Act of Assembly authorizing the issuance of said Certificates of Indebtedness have been favorably passed upon by the Attorney-General of Maryland, who will also certify that all necessary legal formalities prescribed for said issue have been duly complied with.

ALBERT C. RITCHIE,  
Governor.  
WILLIAM S. GORDY, Jr.  
Comptroller of the Treasury.  
JOHN M. DENNIS,  
Treasurer. "

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"STATE OF MARYLAND,  
TREASURY DEPARTMENT  
\$587,000  
FOUR AND ONE-HALF  
PER CENT.  
"SUSQUEHANNA BRIDGE  
LOAN OF 1922."

Annapolis, Md., January 5, 1923.

Pursuant to Chapter 494 of the Acts of the General Assembly of Maryland of 1922, providing for the issue of Certificates of Indebtedness of the character herein mentioned and described to an amount not to exceed \$700,000 and pursuant also to a resolution of the Board of Public Works of Maryland pass on December 13, 1922, and on file and open to inspection in the office of the said Board in Annapolis, Maryland, whereby the amount of such Certificates of In-

debtedness to be issued in accordance with the provisions of said Act was fixed at \$587,000, the Treasurer of the State of Maryland will receive bids or proposals for Certificates of Indebtedness of the State of Maryland as follows:

**\$587,000 FOUR AND ONE-HALF PER CENT.  
CERTIFICATES OF INDEBTEDNESS KNOWN  
AS "SUSQUEHANNA BRIDGE LOAN OF 1922."**

Said Certificates of Indebtedness will all be dated January 1, 1923. They will bear interest at the rate of four and one-half per centum ( $4\frac{1}{2}\%$ ) per annum, payable semi-annually, on the first days of July and January, respectively, in each and every year during the continuance of the loan. The principal of said loan will be payable upon the serial annuity plan, as more fully set forth in said Act of 1922, Chapter 494, as modified by the above-mentioned resolution, as follows:

<u>SERIES</u>	<u>AMOUNT</u>	<u>REDEEMABLE.</u>
A	\$50,000	January 1, 1924
B	50,000	January 1, 1925
C	50,000	January 1, 1926
D	50,000	January 1, 1927
E	50,000	January 1, 1928
F	50,000	January 1, 1929
G	50,000	January 1, 1930
H	50,000	January 1, 1931
I	50,000	January 1, 1932
J	50,000	January 1, 1933
K	50,000	January 1, 1934
L	37,000	January 1, 1935

The said Certificates of Indebtedness will be of the denomination of \$1,000 each, subject to registration as to principal, and all will be issued with interest coupons attached.

This loan and the interest payable thereon is exempt from the Federal Income tax and from State, county and municipal taxation.

The said bids or proposals must be delivered to the Treasurer of the State at his office in Annapolis, Maryland, before 12 o'clock noon on Thursday, February 8, 1923. Each bid must be for a definite sum, plus interest on the par value of the amount bid for, at the rate of four and one-half per centum per annum from January 1, 1923, to February 15, 1923. Each bid must be for cash on delivery and must be inclosed in a sealed enveloped addressed on the outside "Proposal for Susquehanna Bridge Loan of 1922". Each bid must be accompanied by a certified check upon some responsible banking institution drawn to the order of the Treasurer of Maryland for five per centum (5%) of the par value of the amount bid for (exclusive of interest). All bids or proposals will be opened at 12:00 o'clock noon on Thursday, February 8, 1923, in the presence of the undersigned.

On the opening of said proposals as many of said Certificates of Indebtedness as have been bid for, not exceeding, however, the amount for which proposals are invited, may be awarded by the Governor, the Comptroller of the Treasury and the Treasurer, or a majority of them, to the highest responsible bidder or bidders therefor for cash, and if two or more responsible bidders have made the same bid and such bid is the highest and the Certificates so bid for by such highest responsible bidders are in excess of the whole amount of Certificates as offered for sale, then such Certificates of Indebtedness may be awarded in a ratable proportion to such responsible bidders bidding the same price.

The undersigned may, in their discretion, accept one bid for all of said loan or separate bids for parts of said loan as may produce the largest amount and they may, in their discretion, accept bids which may be for part of said loan, but are not for all, and they reserve the right in their discretion to reject all bids or any bids.

The Certificates of Indebtedness awarded will be delivered to the successful bidder or bidders upon receipt of the amount of the successful bid or bids on Thursday, February 15, 1923, at the office of the State Treasurer, Annapolis, Maryland.

"Bidders are referred to the said Chapter 494 of the Acts of the General Assembly of Maryland of 1922 as containing the full terms and provisions of this loan.

ALBERT C. RITCHIE,  
Governor.  
WILLIAM S. GORDY, Jr.  
Comptroller of the Treasury.  
JOHN M. DENNIS,  
Treasurer."

<u>Bidders</u>	<u>Loan Bid For</u>	<u>Amount</u>	<u>Bid</u>	<u>Proceeds</u>
First National Bank, N.Y. Stacy & Braun, N.Y.	Both	\$1,087,000	\$101.22	\$1,100,261.40
Lamport, Barker & Jennings, New York	Both	1,087,000.	102.08* 101.20*	1,104,444.00
George B. Gibbons & Co., New York	Both	1,087,000	101.6559	1,105,000.00
Safe Deposit & Trust Co., Baltimore	Construction	500,000	102.30	511,500.00
Graham, Parsons & Co., N.Y. Bankers Trust Co., N.Y. Eldredge & Co., N.Y.	Construction	500,000	102.698	513,490.00
Barr Bros. & Co., N.Y.	Construction	500,000	102,767	513,835.00
Owen Daly & Co., National City Co., N.Y.	Construction	500,000	102.209	511,045.00
Alexander Brown & Sons	Construction	500,000	101.523	507,615.00
Dillon, Read & Co.	Construction	500,000	102.377	511,885.00
Stein Bros. & Boyce	Construction	500,000	102.2076	511,038.00
Guaranty Co., N.Y. Wm. R. Compton & Co., Hambleton & Co.	Construction	500,000	102.157	510,785.00
Baltimore Trust Co. Mackubin, Goodrich & Co. Jenkins, Roland & Dancy	Construction	500,000	102.510	512,550.00
Nelson, Cook & Co., R. L. Day & Co. Remick, Hodges & Co.	Construction	500,000	102.292	511,450.00
Equitable Trust Co. Redmond & Co. of N.Y. J. S. Wilson, Jr., & Co. Jenkins, Whedbee & Poe Continental Trust Co.	Construction	500,000	102.364	511,820.00
Mercantile Trust & Dep. Co. Baker, Watts & Co. Estabrook & Co.	Construction	500,000	102.35	511,750.00
J. A. W. Iglehart & Co.	Construction	500,000	101.7724	508,862.00
Balto. Commercial Bank	Bridge, Ser. L.	37,000	101.00	37,370.00
Merchants Nat'l Bank,	Construction	500,000	103.62	518,100.00

\*Separate bids. Construction  
Loan bid, 102.08; Bridge Loan bid, 101.20.

The bid of the Merchants National Bank of 103.62 being the highest bid for the General Construction Loan bonds, that bid was thereupon accepted by the Board of Public Works and the bonds awarded to the Merchants National Bank.

All bids received for the bonds of the Susquehanna Bridge Loan were rejected by the Board of Public Works, and the bonds were purchased at par for the Sinking Funds of the State.

The Governor submitted the following letter:

"Baltimore, February 7, 1923.

To the Honorable, the Board of Public Works of the State of Maryland, Annapolis, Md.

Gentlemen:

We have your letter of January 30th, 1923, offering to sell to The Baltimore Properties Company the property at the northeast corner of North and Maryland Avenues, known as the Fourth Regiment Armory site, for the sum of \$427,500 upon the terms therein stated.

The Baltimore Properties Company feels that this is considerably more than the property is worth, and certainly more than it can afford to pay for it. We are authorized to offer on behalf of the Company the sum of \$400,000.00 net to the State for the property in question upon the terms and conditions set forth in your letter of January 30th, 1923. If this offer is accepted forthwith we are prepared to execute the agreement and pay the sum of \$5,000.00 in cash immediately, \$25,000 in cash on March 15th, \$100,000.00 in cash on May 15th, and the residue of the purchase price amounting to \$270,000.00 to be secured by the execution of a purchase money mortgage or deed of trust as suggested in your letter of January 30, 1923.

Yours truly,

THE BALTIMORE PROPERTIES COMPANY,

By F. W. Staffeld.  
Agent.

McIntosh & Thrift  
Attorneys for the Baltimore Properties Company.

Mr. David G. McIntosh, counsel for The Baltimore Properties Company, appeared before the Board to negotiate for the North Avenue property on the terms outlined in the above letter. Attorney General Alexander Armstrong was present and took part in the negotiations. The following letter was sent to The Baltimore Properties Company:

"Baltimore, Maryland,  
February 8th, 1923.

Baltimore Properties Company,  
204 Maryland Casualty Tower,  
Baltimore, Maryland.

Gentlemen:

The Board of Public Works of Maryland has considered your offer for the purchase of the property owned by the State at the North-east corner of North and Maryland Avenues, known as the Fourth Regiment Armory Site, as embodied in your letter of February 7th, and is unwilling to accept the same. As a counter-proposition it now offers to enter into an agreement for the sale of this property to your company on the following terms;

"The purchase price is to be \$400,000, to be paid as follows: \$5,000 in cash upon the signing of the agreement of sale on February 9th, 1923; \$20,000 on or before February 19th; \$25,000 in cash on March 15th; \$100,000 in cash on May 15th. All deferred payments of purchase money shall bear interest from February 9th at the rate of 6%, and all accumulations of interest on deferred payments due on May 15th shall be paid on that date. On said date of May 15th a deed properly executed conveying said above mentioned premises to your company shall be delivered by this Board, the residue of the purchase price amounting to \$250,000 to be secured by the execution and delivery by your Company to the State or to some trust company of Maryland, duly nominated by this Board for the purpose, of a purchase money mortgage for the said sum of \$250,000, or of a deed of trust securing bonds in the aggregate amount of \$250,000, said mortgage indebtedness of said bond indebtedness to be paid on or before December 15th, 1923, and to bear interest at the rate of 6%.

It is understood that the said mortgage or deed of trust shall be a first lien upon said property. It is further agreed that your company will not begin any work whatsoever upon the premises herein agreed to be sold prior to the execution and delivery of said mortgage or said deed of trust. It is further understood that the above mentioned purchase price will be a net price to the State and that any claims for commissions or other charges in connection with the sale of said premises will be borne entirely by your company.

It is understood that the Agreement of Sale will contain a stipulation that time is of no essence, and that, in the event of the failure of your company to make any of the aforesaid payments at the times specified therefor, said Agreement shall become null and void and the payments already made will become the absolute property of the State as liquidated damages. It is further understood that in said Agreement of Sale, the State may insert such other and further conditions and stipulations, properly incidental to such an agreement, which, at the time of execution of said Agreement, may be deemed necessary for the protection of its rights.

The State will warrant the title to said premises and insert in the Deed a covenant against encumbrances. "

BOARD OF PUBLIC WORKS.

By ALBERT C. RITCHIE  
Governor. "

The Secretary submitted vouchers requesting the following payments out of appropriations contained in Chapter 464 of the Acts of the General Assembly of 1922:

Rosewood State Training School (Infirmary) . . .	\$10,000.00
Spring Grove State Hospital (Bake Shop) . . .	300.00
Spring Grove State Hospital (Floor in Laundry) . .	44.50
Md. State School for Deaf (Equipment) . . . . .	1,179.75

The action of the Secretary in issuing the checks of the Board of Public Works in payment of the above amounts was approved.

The Board approved the payment of the following bills by the Secretary:

February 1st, 1923.

CONTINGENT FUND.

To Hon. John M. Dennis (Addl. Prems. on Insurance) . . \$2976.00

February 2nd, 1923.

RENT, STATE OFFICES IN BALTIMORE CITY.

To Union Trust Company - (COMPTROLLER'S OFFICE)  
JANUARY & FEBRUARY. 105.84

February 5, 1923.

STATE OFFICE SUPPLIES AND STATIONERY.

To - American Ice Company (Ice, January, 1923,  
Office, Board of Public Works) . . . . \$2.60

To - Baltimore Towel Supply Company (Towel ser-  
vice, January, 1923, above office) . . . . 7.85

February 6, 1923.

STATE OFFICE SUPPLIES AND STATIONERY.

To - Tripure Water Company (Water, January, 1923)  
Office, Board of Public Works) . . . . 2.00

February 8, 1923.

TELEGRAPH AND TELEPHONE.

To - The Western Union Telegraph Co. (Telegrams,  
January, 1923, Office, Board of Public Works) -19.67

adjourned.

There being no further business, the meeting

  
Secretary.